
MEETING	EXECUTIVE
DATE	23 DECEMBER 2008
PRESENT	COUNCILLORS WALLER (CHAIR), STEVE GALLOWAY, SUE GALLOWAY, MOORE, REID, RUNCIMAN AND VASSIE

PART B - MATTERS REFERRED TO COUNCIL

145. CORPORATE EFFICIENCY PROGRAMME AND UPDATE ON SPECIFIC EFFICIENCY REVIEWS

[See also under Part A Minutes]

Members considered a report which provided information on issues relating to Efficiency across the Council; specifically, the Corporate Efficiency Programme (CEP) and progress on individual efficiency reviews.

Part 1 of the report outlined progress made on moving forward with a major CEP, following the Executive's decision in September 2008 to procure a performance partner. A detailed procurement process had now been undertaken and Northgate Kendrick Ash (NKA) had been chosen for this role. Next steps would include two distinct phases – a twelve week scoping review, and a three year Performance Partnership with clearly defined milestones towards the achievement of a minimum £15m net efficiency target for delivery of service, organisational and financial improvements. The cost of the initial review would be £52,000. Critical elements of both phases would be to enable a partnership approach, create a successful engagement model and embed a strong governance model. During the initial review, NKA would require support to ensure the engagement of Council staff and stakeholders at all levels.

Part 2 of the report outlined the current position on the reviews commissioned as part of the 2008/09 budget process. Details of the reviews of Subsidised and Community Transport and of Leisure and Culture were attached as annexes 1 and 2 to the report. Details of the ongoing investment in the Organisational Effectiveness Programme (now the Single Improvement Plan) were set out in paragraph 29(iii). This included the allocation of £20k to Corporate Accountancy for Efficiency Reviews, £25k to the Performance and Improvement Team and £40k to Public Services, to fund a Customer Relations post. The review of Commercial Property had been abandoned following discussions with Members and it was suggested that the £50k allocated to this review be added to the Efficiency Reserve, on the basis that the Efficiency Programme would at some stage consider the commercial property portfolio. The reviews of Property Services and of Shared services would be incorporated in the CEP and approval was therefore sought to transfer the funds for these reviews to the Efficiency Reserve.

RECOMMENDED: (i) That the Corporate Efficiency Programme now take forward some of the reviews agreed as part of the 2008/09 budget, in particular those relating to Property Services, the Commercial Portfolio and the consideration of services that the Council should strategically procure or share.

(ii) That approval be given to transfer the funds of £125,000 approved for these reviews to the existing Efficiency Reserve.

REASON: In accordance with the decision taken at Budget Council in February 2008 to carry out these reviews.

146. WEB CASTING OF COUNCIL MEETINGS

Members considered a report which asked them to consider further the costs associated with introducing static web-streaming technology into the Council Chamber in the light of the decision taken by Full Council in September 2008 to establish a negotiated contract for web-casting Council meetings.

A bid to secure funding for the proposal had been brought to the Executive meeting on 2 December 2008 as part of the IT Development Plan for 2009/10 (Minute 132 of that meeting refers). Members had requested a separate report confirming the capital and revenue costs of a static web-streaming facility and how contract negotiations would be undertaken. The options presented in the report were:

Option 1 – to provide funding from the IT Development Plan 2009/10, to be approved as part of the budget process in February 2009;

Option 2 - to provide funding in year from reserves, enabling static webstreaming facilities to be procured during 2008/09.

Estimated details of the costs were included in the bid details attached as Annex A to the report. It was noted that, if Members wished to procure in-year, then the initial capital costs would be higher, at £21,720, and ongoing revenue costs of £10,394 would have to be found. Further information on the costs of each option was contained in Annex B to the report. In respect of contract negotiations, a tendering exercise would be initiated to evaluate suitable solutions. This process would involve Officers from Democratic Services, IT&T and Central Procurement. Listed building consent might have to be sought if structural changes were needed to lay cabling and install cameras in the Council Chamber.

RESOLVED: That the Executive records its concern that the proposal to use an external agency to web-cast live Council meetings, and some Planning Committee meetings, is an expensive option and that there is little evidence to suggest that significant numbers of York residents will access this service.

RECOMMENDED: That, should Council wish to proceed with this option, then the funding for the capital works be taken from the Council's reserves and that any ongoing funding requirements should represent a growth bid against the 2009/10 revenue budget.

REASON: In order to implement Council's previous decision to introduce web-casting, if Council still wishes to do so, and to provide appropriate funding for this.

**148. URGENT BUSINESS - GRANTING A LOAN TO AN OUTSIDE BODY:
YORK CREDIT UNION**

Members considered a report which outlined for potential for granting a loan to the York Credit Union (YCU) and sought direction as to how to proceed.

The Chair had agreed to deal with this report under urgent business, to allow early consideration of this priority matter before the meeting of Full Council on 22 January 2009.

YCU were requesting a loan from the Council in the sum of £150k, to enable them to bring their approved and pending loans up to date, as well as to provide for the expected growth in loan requests over the coming months, in order to assist the people of York in the current difficult economic climate. Under the Financial Services Authority (FSA) regulations by which they were bound, YCU could only borrow funds of this amount in the form of a subordinate loan meeting the conditions of the Credit Unions Source Book (CRED). Such a loan could not be secured and must rank behind all non-unsubordinated loans (of which YCU had none at present) and members' share balances. Details of the potential risks involved were set out in paragraphs 44 and 45 of the report.

Members were invited to consider the following options:

Option 1 – not to lend YCU any funds.

Option 2 – to lend YCU £52k, which was the maximum amount that could be lent if the loan were not a subordinate loan.

Option 3 – to lend YCU a subordinate loan of £100k. This was the amount of loans currently approved and pending approval by YCU.

Option 4 – to lend YCU a subordinate loan of £150k, as requested. This would bring approved and pending loans up to date and provide for the expected growth in loan requests over the coming months.

RECOMMENDED: (i) That a loan not exceeding £100,000 - if possible structured so that the first £52,000 is a preferential loan with the remainder to be classified as a subordinated loan - be made to the York Credit Union to enable them to provide loans to their members during the present difficult economic situation. The loan interest to be calculated at the current rate being obtained by the Council on its other investments.

REASON: In order to help minimise the impact of the current difficult economic climate on the people of York.

(ii) That Council seek the agreement of the Credit Union to the appointment of a member of staff from the Council's Resources department to its Executive Board, in order to allow the Council to maintain a check on the financial position of the Credit Union, or by such other means as are acceptable to the Director of Resources.

REASON: To allow the Council to maintain a check on the financial position of the Credit Union.

A Waller, Chair

[The meeting started at 2.00 pm and finished at 3.10 pm].